## **United States Department of Agriculture**



Natural Resources Conservation Service 75 High Street, Room 301 Morgantown, WV 26505

November 30, 2005

WEST VIRGINIA BULLETIN NO: WV300-6-3

**SUBJECT:** LTP-Conservation Programs Contracting

**Purpose:** Awareness of Policy on Conservation Programs Contract Cancellation

**Expiration Date:** September 30, 2006

Policy and instructions on cancellation or termination of contracts is found in the specific program manual and in the 440 <u>Conservation Programs Manual</u>, <u>Part 512</u>, <u>subpart F</u>, <u>section 512.57</u>.

A *cancellation* is an equitable remedy that allows both parties to the contract to terminate the contractual relationship. Recovery of costs may or may not be appropriate depending on the reasons for termination.

A contract is subject to *termination* as a result of material breach of the terms and conditions included in the contract. Terminations for cause will usually result in assessment of liquidated damages for a recovery of administrative costs in addition to recovery of financial assistance dollars and interest.

Additional information on recovery of costs is in the Conservation Programs Manual, Part 512, subpart F, section 512.58.

At a minimum, requests for cancellation must include a signed letter from the participant which includes reasons for requesting cancellation and, if applicable, information on availability of any transferees. Also required is a letter from the District Conservationist (DC) with his/her recommendations for disposition of the contract and reference to consultation with the Conservation District (CD). Please include the date of the CCC-1200 Appendix which was signed by the participant. (the date of the document, not the date signed by the participant).

Requests for termination come from the DC with documentation as to why the participant is in breach of the contract. Include copies of any correspondence with the contract holder relating to the contract deficiencies.

The proper format with required information for the letter from the DC is attached.

If you have questions or need additional information, please contact Herb Andrick, Assistant State Conservationist for Programs at 284-7560.

/s/

RONALD HILLIARD State Conservationist

Attachment

DIST: A

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SUBJECT	Γ: LTP-		DATE:	
то:	Herbert Ar ASTC-Pro Morgantov	grams	FILE:	300-
Re: Lai	Landowner Name:			
Ad	dress:			
Pro	ogram:	Contract #	Year:	
Far	rm <u>#</u> Tra	ct #		
Document	mmendation consultation wit 00 appendix	h Conservation District		
	name here onservationist			
Attachmen	nt: Letter from c	ontract holder		
cc: name,	ASTC-FO, locat	tion		